Serious frauds office for Malpractices by Companies

1392. SHRI UDAY PRATAP SINGH:
SHRI S. ANBALAGAN:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether there is a serious Frauds Office functioning in the Ministry to investigate the serious frauds/malpractices indulged/ committed by private companies;

(b) if so, the details of the functions of this office and since when it is functioning;

(c) the number and details of cases taken-up/came to notice and the number and details of cases investigated and action taken since it became functional, year-wise and State-wise;

(d) whether the Ministry are satisfied with the functioning of this office; and

(e) if not, the steps proposed to be taken thereon?

THE MINISTER OF STATE OF THE MINISTRY COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) Yes, Sir.

(b) The Serious Frauds Investigation Office (SFIO) is functioning since October, 2003 with the object of investigating into the cases the serious financial frauds referred to it by the Central Government under section 235/237 of the Companies Act, 1956.

(c) The number and details of the cases taken up and investigated by SFIO since it became functional and action taken, year-wise, state-wise is given in the Statement (See below).

(d) Yes, Sir.

(e) Does not arise.

Statement

Details of the Cases taken up and investigated by SFIO

Year 2003-2004

S.No	. Name of Company	State	Date of order of Inv.	Status
1.	Daewoo Motors India Ltd.	Delhi	14.10.2003	Investigation report submitted on 16-2-2004, prosecution under Company Law and IPC have already been filed.
2.	DSO Software Ltd.	Chennai	23.10.2003	Investigation report yet to be received from SFIO
3.	Design Auto Systems Ltd.	Madhya Pradesh	16.12.2003	Investigation report submitted on 19-1-2005, prosecutions have already been filed.
4.	Bonanza Biotech Ltd.	Madhya Pradesh	16.12.2003	Investigation report submitted on 19.1.2005 prosecutions have already been filed.
5.	Vatsa Corporation, Ltd	Mumbai	13.03.2004	Investigation report submitted on 21-09-2004. prosecutions have already been filed.

Year 2004-2005

6.	Triumph International Finance India Ltd.	Mumbai	20.10.2004	The Mumbai High Court had stayed the investigation on a petition filed by the Company. Investigation restarted from 3-6-2005 after the stay was vacated. SLP filed by the Keran Parekh Group of companies was dismissed by Supreme Court on 18-7-2005. Investigation is in progress.
7.	N H Securities Ltd.	Mumbai	-Do-	-Do-

8.	KNP Securities Pvt. Ltd.	Madhya Pradesh	-Do-	-Do-
9.	N V Parekh	Madhya Pradesh	-Dc-	-Do-
10.	Panther Fincap and Management Services Ltd.	Mumbai'	-Do-	-Do-
11.	Pather Investrade Ltd.	Mumbai	-Do-	-Do-
12.	Pather Industrial Products Ltd.	Mumbai	-Do-	-Do-
13.	Saimangal Investrade Ltd.	' Mumbai	-Do-	-Do-
14.	Classic Credit Ltd.	Mumbai	-Do-	-Do-
15.	Classic Shares & Stock Broking Services Ltd.	Mumbai	-Do-	-Do-
16.	Luminant Investrade Pvt. Ltd.	Mumbai	-Do-	-Do-
17.	Goldfish Computers Pvt. Ltd.	Mumbai	-Do-	-Do-
18.	Triumph Securities Pvt. Ltd.	Mumbai	-Do-	-Dc-
19.	Nakshatra Software Pvt. Ltd.	Mumbai	-Do-	-Do-
20.	Chitrakoot Computers Pvt. Ltd.	Mumbai	-Do-	-Do-
21.	Manmandir Estate Development Pvt. Ltd.	Mumbai	-Do-	-Do-

S.No.	Name of Company	State	Date of order of Inv.	Status
22.	Mardia Chemicals Ltd.	Mumbai	20.10.2004	The Mumbai High Court had stayed the investigation on a petition filed by the Company. Investigation restarted from 3-6-2005 after the stay was vacated. SLP filed by the Keran Parekh Group of companies was dismissed by Supreme Court on 18-7-2005. Investigation is in progress.
23.	Adam Comsof Ltd.	Mumbai	-Do-	-Do-
24.	Kolar Bitech Ltd	Mumbai	-Do-	-Do-
25.	Soundcraft Industries Ltd.	Mumbai	-Do-	-Do-
			Year 2005-2006	
26.	Usha India Ltd.	U.P.	18.5.2005	Investigation in Progress
27.	Malvika Steel Ltd.	U.P.	18.5.2005	-Do-
28.	Koshika Telecom Ltd.	New Delhi	18.5.2005	-Do-
29.	Information Tech of India Ltd.	U.P.	14.10.2005	-Do-
30.	Mukta Arts Ltd.	Mumbai	8.11.2005	Investigation suspended as a result of stay Granted against the order of investigation by Hon'ble High Court of Mumbai on 17th Nov. 2005
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